

# **SERVICES TO MINNESOTANS WITH DEVELOPMENTAL DISABILITIES**

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## **1994-1995 BIENNIAL STATE PLAN**

***A REPORT TO THE LEGISLATURE OF THE STATE OF MINNESOTA  
IN FULFILLMENT OF M.S.  
252.291, SUBD. 1 - SUBD. 5***

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## ACKNOWLEDGMENTS

The Department of Human Services acknowledges the dedication of Minnesota's case managers, case management supervisors, and service providers. Because of their efforts and commitment, Minnesota has moved toward achievement of its goals pertaining to services for persons with developmental disabilities.

We are also grateful to our colleagues at the University of Minnesota Institute on Community Integration and the Governor's Planning Council for Developmental Disabilities for their insight and collaboration on many projects and studies which contribute to the work of the Department of Human Services.

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## **Executive Summary**

This 1994-1995 Biennial State Plan for Minnesotans with Developmental Disabilities was prepared for the legislature of the State of Minnesota in accordance with Minnesota Statute 252.291, subdivisions 1 through 5, "Limitation on Determination of Need", which declares a moratorium on the development of intermediate care beds for persons with mental retardation or related conditions in community facilities or regional treatment centers and requires the Commissioner of Human Services to: (1) establish procedures **for** downsizing those facilities; and (2) plan for the delivery and funding of residential, day, and support services. This report also describes services available to Minnesotans with developmental disabilities, profiles persons receiving services, discusses trends in services and expenditures, and specifies the values, legislation, and appropriations that help define Minnesota's objectives for the development and management of residential, day training and habilitation, and support resources during the coming biennium.

### **Trends in Services and Expenditures**

Minnesota's services for persons with developmental disabilities emphasize support for families, integration into regular education programs, inclusion into community residential, vocational, and leisure environments, and involvement of families and consumers in decisions that affect them. Among the most notable trends in services to persons with developmental disabilities is Minnesota's decreasing reliance on large, congregate living arrangements and its emphasis on developing community-based homes for one to six people. Commitment to community living is demonstrated by:

- (1) a decline in the number of people with developmental disabilities residing in Minnesota's regional treatment centers from nearly 3,000 in 1978 to 950 in January 1993;
- (2) closure or downsizing of several of the larger community ICFs/MR in recent years, and relocation of nearly 800 people who lived in those facilities to smaller homes;
- (3) a dramatic increase in the number of people served by the Title XIX Home and Community-Based Services Waiver from a few hundred in the mid-1980's when waived services first became available to nearly 3,000 in January 1993;
- (4) extension of service eligibility for SILS to persons who need more than 90 days of daily intervention, as well as provision of vouchers, cash grants, and housing allowances; and,
- (5) relocation of nearly 50 people with developmental disabilities who had been screened and found to be placed inappropriately in nursing homes to community homes through the Alternative Community-Based Services (ACS) Waiver.

The types of support available for community living for individuals with developmental disabilities have increased throughout the past years. Programs that support families and/or individuals include:

- (1) the Family Support Grant Program, which, as of January 1993, provided approximately 640 families with grants averaging \$2,700 per year to help them offset the added costs of raising a child with a developmental disability;
- (2) the Children's Home Care Option, authorized by the Tax Equity and Fiscal Responsibility Act of 1982 (P.L. 97-248), which allows approximately 2,000 children with developmental disabilities who live in their parental homes to receive medical assistance benefits regardless of their parents' income;
- (3) early intervention services starting from birth for children with developmental disabilities;
- (4) transition planning services for secondary school-age youth with disabilities;
- (3) Semi-Independent Living Services (SILS), which provide approximately 1,500 adults with developmental disabilities with support and instruction to enable them to live semi-independently in houses or apartments in the community;
- (4) residential habilitation services provided by ICFs/MR, which serve over 4,600 people with developmental disabilities annually;
- (5) the Home and Community-Based Services Waiver, which provides approximately 3,000 individuals with developmental disabilities with case management, in-home support, homemaker services, respite care, physical adaptations to the home, and day training and habilitation services for adults;
- (6) the Alternative Community-Based Services (ACS) Waiver for people with developmental disabilities who were screened and found to have been placed inappropriately in nursing homes; and,
- (7) day training and habilitation services for adults with developmental disabilities.

Minnesota's commitment to community living for persons with developmental disabilities is reflected in its program expenditures. In fiscal year 1992, Minnesota spent \$145,835,000 on community ICFs/MR; \$81,442,909 for the Home and Community-Based Services Waiver; \$25,300,000 for nursing home services for people with developmental disabilities; \$7,921,227 on SILS services; and \$1,410,000 to fund the Family Support Grant Program. Even though Minnesota's regional treatment centers served only 1,242 persons in fiscal year 1992, the expenditures for this program were \$110,351,643, the second highest proportion of the annual expenditures for that fiscal year. Daily costs for serving persons in RTCs are expected to increase in the 1994-1995 biennium, due largely to the fact that capitol costs for continuing to operate these facilities for a decreasing population are increasing.

#### Objectives **and** Priorities **for** 1994-1995

During the 1993 legislative session, the Department of Human Services will introduce the **Integrated Management and Planning Act** (IMPACT), a long range plan for improving Minnesota's service system for persons with developmental disabilities. Changes brought about by IMPACT will yield a service system characterized by increased consumer choice of services and supports, increased flexibility of services,

equitable distribution of funds, improved service access and coordination, and development of outcome-based quality improvement methods.

Strategies for developing and testing methods to meet the goals of IMPACT have been proposed and await federal approval. These include: (1) expansion of the availability of Home and Community-Based Services to persons with mental retardation and related conditions to the greatest extent allowable by federal law and regulation; (2) implementation of demonstration projects focused on improving efficiency and effectiveness of existing programs (e.g., ICFs/MR, HCBS, SILS, day training and habilitation); and, (3) implementation of performance-based contracts with counties and licensed providers.

Reform efforts initiated during fiscal year 1994 are expected to continue into fiscal years 1995, 1996, and beyond. The Department expects that reforms brought about by IMPACT will result in an efficient service system that is offers consumer a broad range of service options, is easily accessed, well coordinated, and responsive to the needs of individuals with developmental disabilities and their families.

# Services to Minnesotans with Developmental Disabilities

1994-1995

## *A Report to the Citizens and Legislature of the State of Minnesota From the Department of Human Services*

This 1994-1995 Biennial State Plan for Minnesotans with Developmental Disabilities was prepared for the Legislature of the State of Minnesota in accordance with Minnesota Statutes 252.291, subdivisions 1 through 5, "Limitation on Determination of Need" which declares a moratorium on the development of intermediate care beds for persons with mental retardation or related conditions in community facilities or regional treatment centers, and requires that the Commissioner of the Department of Human Services:

- (1) establish procedures for downsizing those facilities "in accordance with approved [Medical Assistance] waivers under United States Code, Title 42 ... to assure that appropriate services are provided in the least restrictive setting", .. and
- (2) develop a [biennial] state plan for the delivery and funding of residential, day and support services to persons with mental retardation or related conditions in Minnesota..."

This report fulfills the obligations specified in that statute. In addition, it describes services available to Minnesotans with developmental disabilities, profiles persons receiving services, discusses trends in service use and program expenditures, and specifies the values, legislation, and appropriations that help define Minnesota's objectives for the development and management of residential, day, and support resources during the next biennium. The report also describes the Department's proposal to the 1993 Legislature for comprehensive reform of the developmental disabilities service system. During the 1993 legislative session, the Department will introduce the **Integrated Management and Planning Act (IMPACT)**. Primary goals of IMPACT are to achieve comprehensive reform by increasing choices in supports and services, providing equitable and responsive distribution of funds, and improving service access and coordination activities. The process of change, which will be initiated during the 1994-1995 biennium, will continue into the 1996-1997 biennium.

## I. Mission and Obligations

The Department of Human Services, in partnership with the federal government, counties, and other public, private, and community agencies throughout Minnesota is a state agency directed by law to assist those citizens whose personal or family resources are not adequate to meet their basic human needs. The Department is committed to assisting Minnesotans to access programs that provide the appropriate quantity and quality of services commensurate with their needs and those of their family, and attain the maximum degree of self-sufficiency consistent with their capabilities.

The Division for Persons with Developmental Disabilities and other related divisions within the Department work to ensure that Minnesotans with developmental disabilities receive services which adequately and appropriately meet their needs. Specific obligations include: 1) insuring quality of care and compliance with all laws, rules, and regulations; 2) managing the growth and development of residential, day training and habilitation resources throughout Minnesota; 3) administering specific programs authorized and funded by the state Legislature; and, 4) providing training and technical assistance to case managers, service providers, and local social services agencies.

## II. Values

Programs and services administered by the Department of Human Services are premised on the belief that all Minnesotans, including those with developmental disabilities, are unique, valuable individuals who can contribute in important ways to community life in Minnesota. Important principles that guide development of programs and services for Minnesotans with developmental disabilities are age-appropriateness, cultural-appropriateness, service provision within the least restrictive environment, and inclusion into community activities.

Age-appropriate services are those that are respectful of the person's chronological age and are reflected in both the type of services and the manner in which they are provided. Culturally-appropriate services are respectful of an individual's need for identification with other members of his or her cultural background. Service provision within the least restrictive environment involves offering only as much support and instruction as the individual needs in an environment which allows as much personal freedom and decision-making as the individual is capable of handling.

Inclusion of individuals with developmental disabilities in activities in their home communities has many benefits. Inclusion provides opportunities for teaching new skills in the environments in which they are needed. It also provides opportunities for people with developmental disabilities to interact with people without disabilities. The formation of ongoing relationships between a person with a



developmental disability and his or her family, friends, and advocates is viewed as essential toward meeting an individual's interpersonal needs. Involved, supportive family members, friends, and advocates can also play an important role in assisting consumers to make decisions, monitor the quality of services provided, and protect the individual's rights.

### III. Services and Supports

Minnesota is one of 17 states with a county-administered , state-supervised human services delivery system. County agencies are responsible for screening individuals for eligibility for services, providing case management services for individuals with a diagnosis of mental retardation or related conditions, arranging for needed services, and monitoring service provision to ensure that it is delivered in accordance with individuals' Individual Service Plans. The Department of Human Services assumes supervisory responsibilities over many of these county-administered services.

#### State Agency Responsibilities

The Minnesota Department of Human Services is responsible for monitoring the delivery of case management service activities and case management administrative functions by county social service agencies. Other responsibilities include allocation and management of resources for persons with developmental disabilities and program administration of state operated regional treatment centers and group homes. The Department administers several different community support programs, monitors the quality of case management and service provision, and provides training and technical assistance for case managers, service providers, and county social services agencies. It also acts as the "public guardian" for 5,200 people with developmental disabilities age 18 and over.

#### Case Management

A survey conducted by the Division for Persons with Developmental Disabilities in January 1992 indicated that 17, 281 people with mental retardation or related conditions received case management services. Minnesota's 87 counties employ a total of 410 case managers.

Case management is the cornerstone of quality services to persons with developmental disabilities. Statutory language adopted in 1991 specifies both the service activities and the administrative functions of case management. Two

essential components in the case management process are client screening and individual service planning.

#### **Case Management**

In State Fiscal Year 1993, 410 case managers provided case management services to 17,281 Minnesotans with mental retardation/related conditions.

Issues and challenges facing Minnesota during the 1994-1995 biennium pertain to service access and availability, caseload size, persons waiting for services, training needs, turnover rates of case managers, and pragmatic barriers to implementing effective quality assurance procedures at the county and state levels. Objectives for the 1994-1995 biennium pertaining to case management include: 1) continued in-service and pre-service training for Minnesota's case managers; 2) improving services to families with children who have developmental disabilities by demonstrating innovative ways of providing case management; 3) providing technical assistance to counties regarding conflict mediation in an effort to minimize conciliation; and, 4) seeking additional federal funding to support case management activities.

## Services to Families and Children

### Support Services for Families and Children

- . Family Support Grant Program
- . Home and Community-Based Services Waiver
- . The Children's Home Care Option (TEFRA)
- . Early Intervention Services .
- Transition Planning Services

Minnesota is committed to support families as they care for their dependent children with developmental disabilities at home and has a policy that "all children... are entitled to live in families that offer a safe, permanent relationship with nurturing parents or service providers and the opportunity to establish lifetime relationships" (M.S. 256f.01). Four Minnesota programs for children with developmental disabilities and their families include the Family Support Program, the Home and Community-Based Services Waiver, the Children's Home Care Option, usually referred to as "TEFRA", early intervention services, and transition services provided to students with disabilities in secondary education.

**Family Support Grant Program.** Since 1976, Minnesota has provided cash grants to families with children who have developmental disabilities. The Family Support Grant Program (formerly called the Family Subsidy Program) grants eligible families up to \$3,000 per year, in the form of vouchers, direct cash payments from the county agency, or lump sum payments to help defray the cost of items and services that are necessary to maintain a child with developmental disabilities in the family home. Families may use the grants to cover expenses that are in excess of or different from the costs parents of typical children experience. In order to be eligible for the program, a family must have a child with a developmental disability, aged birth through 21, and an adjusted annual gross income of less than \$60,000 (except where extreme hardship is demonstrated). As of January 1993, 640 families received Family Support Grants. The appropriation for the program was increased by the Minnesota Legislature from \$1,410,000 in state fiscal year 1992 to

### Family Support Grant Program - SFY 1993

Families Served	640
Families Awaiting Grants	200
Average Yearly Grant	\$2,700
Annual Appropriation	\$1,478,000

\$1,478, 000 in state fiscal year 1993. However, even with the increased appropriations, as of January 1993, approximately 200 families who had been determined eligible could not be given grants because the program's allocation was exhausted.

*Home and Community-Based Services (HCBS) Waiver.* Minnesota obtained a federal waiver in 1985 to use medical assistance funds to purchase home and community support services for persons with developmental disabilities who would otherwise require the services of **intermediate care facilities for persons with mental retardation** (ICFs/MR). The Home and Community-Based Services Waiver provided a new resource to support families who were attempting to care for their children with developmental disabilities in their family home or who were seeking appropriate, less restrictive, supervised community placements for their children. In addition to providing services to families, the waiver enables adults with developmental disabilities to live, with support, in community settings. It makes possible the separation of housing and services,

and allows creation of flexible and creative service options for eligible individuals. Finally, the waiver provides a mechanism for using federal, state, and county funds to purchase services that prevent placements in state regional treatment centers and facilitate relocation of people currently living in ICFs/MR to less structured, more independent settings in the community. The number of persons receiving waived services has grown from less than

**Number of Persons In Different Types of Home and Community-Based Services Waiver Living Arrangements in July 1992**

Approximate number living with their families	<b>430</b>
Approximate number living with foster families or in their own home or apartment	<b>589</b>
Approximate number living in corporate foster homes	<b>1,951</b>

500 in 1986 to more than 2,800 in early 1993. As of July 1992, over 400 children and adults received Home and Community-Based Services (HCBS) in small group homes or apartments, another 1,900 lived in corporate foster homes, and about 500 lived in their families' homes. Services a person may receive through the waiver include case management, supported living services, in-home support services, homemaker services, respite care, and physical adaptations to the home. In addition, adults with developmental disabilities are eligible to receive day training and habilitation services.

An independent assessment of Minnesota's Home and Community-Based Services Waiver was undertaken in state fiscal year 1992 by the Institute on Community Integration at the University of Minnesota and Systemetrics, Inc. of Lexington, Massachusetts. The purpose of the assessment was to evaluate the overall success of Minnesota's waiver program in meeting required federal standards and state goals. The assessment revealed that HCBS were a cost-effective means of providing services. Using relatively conservative estimates, the assessment revealed that Medicaid savings to the State of Minnesota between 1987 and 1991 due to the HCBS program were approximately \$14 million state dollars. The average annual cost of providing HCBS per resident was \$23,702 in 1991, just over half of

what it cost to provide care to an individual in an ICF/MR. The assessment also revealed that an overwhelming majority of care providers and recipients in the sample rated the range of medical, non-medical, and behavioral and mental health services recipients received as adequate or better than adequate. Although some problems were noted, such as an inadequate supply of HCBS providers in some areas of the state, a scarcity of providers skilled in serving persons with severe physical/health and/or behavior problems, and fewer recipients from racial/ethnic minorities than were expected, access to the program was found to be equitable and consistent with federal and state regulations.

Objectives for HCBS in 1994-1995 include: 1) modifying the current reimbursement system to make it more sensitive to the needs of eligible individuals; 2) expanding eligibility to include individuals who require semi-independent levels of support; and, 3) changing administrative regulations and procedures to streamline and make the program easier to manage.

Home and Community-Based Services Waiver Expenditures in SFY 1992 For Persons with Mental Retardation/Related Conditions

Total Expenditures	\$81,442,909
Average Daily Cost (not including Room and Board)	\$73.97

**The Children's Home Care Option.** Minnesota's Children's Home Care Option (TEFRA), authorized by the "Tax Equity and Fiscal Responsibility" Act of 1982 (P.L. 97-248), allows the provision of medical assistance benefits to children with disabilities up to their 19th birthday who live in their parental homes and would otherwise require out-of-home placement. Parental income is disregarded when establishing a child's eligibility for medical assistance benefits under TEFRA. Like the Family Support

Grant Program and the Home and Community-Based Services waiver, it is designed to support families who care for their child with a disability in their family home. In 1992, approximately 2,814 children were served by the program. Estimates from staff at the Department of Human Services indicate that about 75% of the children who receive medical assistance through this option have a developmental disability. The Social Security Administration's recent decision to use different criteria for determining eligibility for Supplemental Security Income (SSI) is presumed to be the primary cause for the increase of children receiving medical assistance through TEFRA over previous years.

**The Children's Home Care Option**

- . Authorized by the "Tax Equity and Fiscal Responsibility" Act of 1982 (P.L. 97-248)
- . Provides medical assistance benefits to children with disabilities up to age 19, regardless of parental income
- . Over 2,000 children with developmental disabilities received MA benefits through TEFRA in fiscal year 1992

**Support for Early Intervention.** Minnesota has a history of providing early intervention services for infants and toddlers with disabilities that pre-dates the passage of P.L. 99-457, the Education of the Handicapped Amendments of 1986, which mandates that educational and related services be provided

## Homes

### Homes

In Minnesota, a person with a developmental disability may live in:

- . A home with his or her own family, or with a foster family
- . A corporate foster home
- . An apartment or house he/she rents or owns
- . An ICF/MR
- . A nursing home
- . A regional treatment center

Minnesotans with developmental disabilities live in a variety of places. Examples of living environments include family homes with biological relatives or foster families, group foster homes owned by corporations, houses or apartments rented or owned by consumers, nursing homes, intermediate care facilities for persons with mental retardation (ICFs/MR), and regional treatment centers (RTCs).

Programs and resources available to individuals with developmental disabilities to assist them to live in the community include the Family Support Grant Program, the Title XIX Home and Community-Based Services Waiver, adult foster care for waiver-eligible and non-waiver eligible persons, supported living services for persons eligible for the waiver, Semi-Independent Living Services (SILS), and training and habilitation services through ICFs/MR.

**The Family Home.** Children with developmental disabilities should be provided with the same opportunities to grow up with their biological or adoptive families that children who are typically developing enjoy. Sometimes, families need assistance in order to keep their children with developmental disabilities in their homes. Three types of support are available to families whose children with developmental disabilities reside in their family homes. In January 1993, the **Family Support Grant Program** provided approximately 640 families with cash grants of up to \$3,000 per year to assist them in meeting the needs of their child with developmental disabilities through age 21. Families may use their grants to purchase goods and services which are necessary for supporting their child in their home, and which are in addition to those experienced by parents of children without disabilities. Children with disabilities, including developmental disabilities, may be eligible to receive medical assistance through the **Children's Home Care Option** (commonly referred to as "TEFRA") up to their 19th birthday. Medical assistance benefits through TEFRA have enabled many children who have extensive medical needs to remain in their family homes. The **Home and Community-Based Services Waiver**, described more fully in the following section, also provides families whose children have developmental disabilities with necessary supports, including case management, in-home support services, homemaker services, respite care, and physical adaptations to the home.

**Supervised and Independent Living in the Community.** The **Home and Community-Based Services (HCBS) Waiver** enables individuals with developmental disabilities to live, with necessary supports, in community settings. In July 1992, approximately 429 people who received Home and

Community-Based Services (HCBS) resided in their family homes with relatives. Approximately 1,950 persons who received HCBS resided in licensed corporate foster homes. Supported living services were

provided to approximately 588 waiver-eligible persons with developmental disabilities living in family foster homes or their own homes or apartments. In state fiscal year 1990, as a result of authorized amendments to Minnesota's waiver plan, enhanced rates for waived services for persons living in regional treatment centers became available. The enhanced rate made it possible for counties to relocate people who needed quite intensive support services from RTCs to the community. As of January 1993, a total of 200 people received services under the "**Enhanced Fund.**"

Waiver allocations for persons with developmental disabilities placed inappropriately in nursing homes on or before January 1, 1990 became available in state fiscal year 1990. The waiver allowed individuals with developmental disabilities living in nursing homes and who had been screened and determined not to need the level of care provided in a nursing home to be relocated to more appropriate community settings. In

January 1993, 50 people were receiving services under the **Alternative Community-Based Services (ACS) Waiver**. Not all individuals with developmental disabilities require the level of care offered by the Home Community-Based Services Waiver. However, many individuals who do not receive waived services still need a certain amount of support to live in the community. These individuals sometimes live in a foster home or apartment with a family or a single adult who provides necessary supervision. Others may live with family members. Some individuals receive county-funded social services.

Those who are unable to live more independently, but who need less supervision than provided under waived services may be eligible for **semi-independent living services (SILS)**. SILS provide adults with developmental disabilities who are capable of living semi-independently in their own apartments in the community with necessary support services and skill training. SILS was first funded by the Legislature in 1982 with an appropriation of

#### **Services Available Through the Home and Community-Based Services Waiver**

- . Case Management
- . In-Home Support
- . Homemaker Assistance
- . Respite Care
- . Physical Adaptations to the Home
- . Day Training and Habilitation (for adults who are no longer served by the public school system)

#### **Semi-Independent Living Services (SILS)**

SILS for adults with developmental disabilities include:

Instruction in skills necessary for semi-independent living, such as budgeting, cooking, personal safety, shopping, etc.

Support to facilitate community adjustment and integration

One-time housing allowances of up to \$1,500

\$425,000. Ten years later, in state fiscal year 1992, approximately 1,500 persons received SILS, which

include instruction in budgeting, cooking, personal safety skills, home management, shopping, leisure

skills, social skills, self-determination, and accessing community support services. The appropriation for SILS in fiscal year 1993 is \$7,921,227.

Semi-Independent Living Services SFY 1992	
Persons Served	1,536
Persons Awaiting SILS	500
Annual Appropriation	\$7,921,227

Semi-independent living services were originally available to persons who needed 90 or fewer days of daily intervention. However, in response to recommendations submitted by the Department of Human Services, the 1991 Minnesota Legislature modified Minnesota Statutes 252.275 pertaining to semi-independent living services to

extend service eligibility to persons who need more than 90 days of daily intervention. Changes in the law also permitted county social service agencies to provide vouchers or cash grants to eligible persons, and one-time housing allowances of up to \$1,500 to assist eligible persons to purchase items necessary for apartment living.

A sizable waiting list of individuals eligible for SILS but not receiving services exists. In addition to the 500-plus persons who are waiting for SILS resources to become available, Department of Human Services' staff estimate that several hundred additional persons currently living in community ICFs/MR, their family homes, family foster homes, corporate foster homes, or receiving waived services could live more independently if additional state and county funding for SILS was available.

**Community-Based ICFs/MR.** Many individuals with developmental disabilities live in community group homes called **intermediate care facilities for persons with mental retardation** (ICFs/MR). In state fiscal year 1992, the average monthly census in Minnesota's 325 community-based ICFs/MR was 4,622, a decrease from 4,988 per month in 1986. This reduction is attributable in part to implementation of the Title XIX Home and Community-Based Waiver, which enabled persons who would otherwise require care in an ICF/MR to live in community settings with needed support.

The decrease in the number of people living in ICFs/MR is also due to downsizing and/or closure of over 30 community ICFs/MR since 1986. In 1987, Minnesota Statutes 252.292 gave the Department of Human Services the authority and resources it needed

to work with counties and service providers to develop plans to close, downsize, and/or relicense specific ICFs/MR and relocate people who lived in those facilities to different homes in the community. In the last 10 years, as a result of the collaborative efforts of service providers, state agency staff, and county

Community-Based ICFs/MR SFY 1992	
Persons Served	4,622
Number of Facilities	325
Total Annual Expenditures	\$145,835,000
Average Daily Cost (including cost of case management, medical care, training and habilitation services, room and board, and transportation)	\$148.98

Persons Served	4,622
Number of Facilities	325
Total Annual Expenditures	\$145,835,000
Average Daily Cost (including cost of case management, medical care, training and habilitation services, room and board, and transportation)	\$148.98

agency staff, over 800 people have moved to other community settings from facilities that have downsized or closed. Of the nearly 3,000 people who receive home and community-based services, about 55% previously resided in either an ICF/MR or a regional treatment center.

**Nursing Homes.** About 850 Minnesotans with developmental disabilities resided in nursing homes as of January 1993. Federal legislation passed in 1987 mandated annual review of all nursing facility placements of persons with mental retardation or related conditions. If the review revealed that inappropriate placement had occurred, a more appropriate community placement had to be located, except when the individual had resided in the nursing facility for a long period of time and chose to remain there. In response to the federal legislation, Minnesota applied for and obtained an additional waiver to federal Title XIX regulations to assist in relocation of people placed inappropriately in nursing homes prior to January 1, 1990. This waiver, called the Alternative Community-Based Services Waiver (ACS), had resulted in the relocation of almost 50 people screened and found to be placed inappropriately to community placements by January 1993.

**Regional Treatment Centers.** In June 1980, approximately 2,600 Minnesotans with developmental disabilities lived in regional treatment centers (RTCs). In the 10-year period from 1980 to 1990, over 1,400 people moved from the state's seven RTCs serving people with developmental disabilities to smaller community-based homes. By January 1993, that number was reduced to about 950, 36% of what it was twelve years before! The Department continues to explore alternatives for serving people with developmental disabilities in less restrictive settings. The availability of enhanced federal funding through the Home and Community-Based Services Waiver for persons moving from regional treatment centers to the community, the availability of ACS waiver allocations for people placed

**Regional Treatment Centers (RTCs)  
SFY 1992**

Number of RTCs serving people with developmental disabilities	7
Average Daily Census	1,242
Total Annual Expenditures	\$110,351,643
Average Daily Cost (including cost of training and habilitation services provided by RTCs)	\$279.37

inappropriately in nursing homes, as well as one-time rate adjustments for upgrading community-based ICFs/MR, have strengthened the capacity of community facilities and services to meet the needs of individuals with more severe disabilities coming from Minnesota's regional treatment centers.

Efforts are also being made to minimize admissions and readmissions of persons with developmental disabilities to RTCs. The **Community Support Services** projects in each of the catchment areas served by the state's regional treatment centers are examples of programs aimed at preventing crisis admissions. Teams of professionals from RTCs provide technical assistance in areas



such as assessment, program development, and staff training to service providers and case managers of individuals whose community placements are jeopardized by their challenging behaviors.

During the 1994-1995 biennium, community residential resources and support services for persons with developmental disabilities will continue to be a departmental priority. The number of persons moving from regional treatment centers and nursing homes to community settings is expected to increase due in large part to the availability of the enhanced and ACS waivers. The Department will also continue working with facilities that are downsizing, closing, or upgrading in order to serve individuals with more severe disabilities, and manage receiverships and related activities of facilities operated under the auspices of the Department of Human Services. Work with the Minnesota Housing Finance Agency and advocacy groups will continue to develop and oversee policies to create alternative housing options for persons with developmental disabilities and increase the availability of affordable community-based housing.

## Jobs and Training

The challenge for training and habilitation services for the 1990s, in addition to providing for health and safety, is to promote inclusiveness in the workplace, help people become wage earners, and empower people so that they can benefit and contribute as

full-fledged citizens in their communities. Today in Minnesota, more than 130 licensed providers of training and habilitation services provide a variety of employment focused services to more than 6,000 adults with developmental disabilities. These services include center-based employment, supported work (with a job coach) in the community, specialized training and adaptive technology to increase independence, and integration into surrounding communities.

In coming years, the number of people receiving training and habilitation services is expected to grow as students exit public school programs and individuals are relocated from RTCs and nursing homes. Issues and challenges facing Minnesota during the 1994-1995 biennium pertain to the need to expand both the type and quantity of training and habilitation services, and a need for improved methods of matching the skills and interests of service recipients with available jobs. Service options for elderly persons with developmental disabilities who no longer wish to work and for persons who are medically fragile are also issues.

**Day training and habilitation services** for people with developmental disabilities include:

- . Supported employment (full/part-time employment in integrated community settings with support of a job coach)
- . Part-time work at sub-minimum wage within a training and habilitation center (often consisting of subcontract assembly-type tasks)
- . Specialized training and adaptive technologies to increase independence in work and other settings
- . Instruction in life-skills in integrated community environments

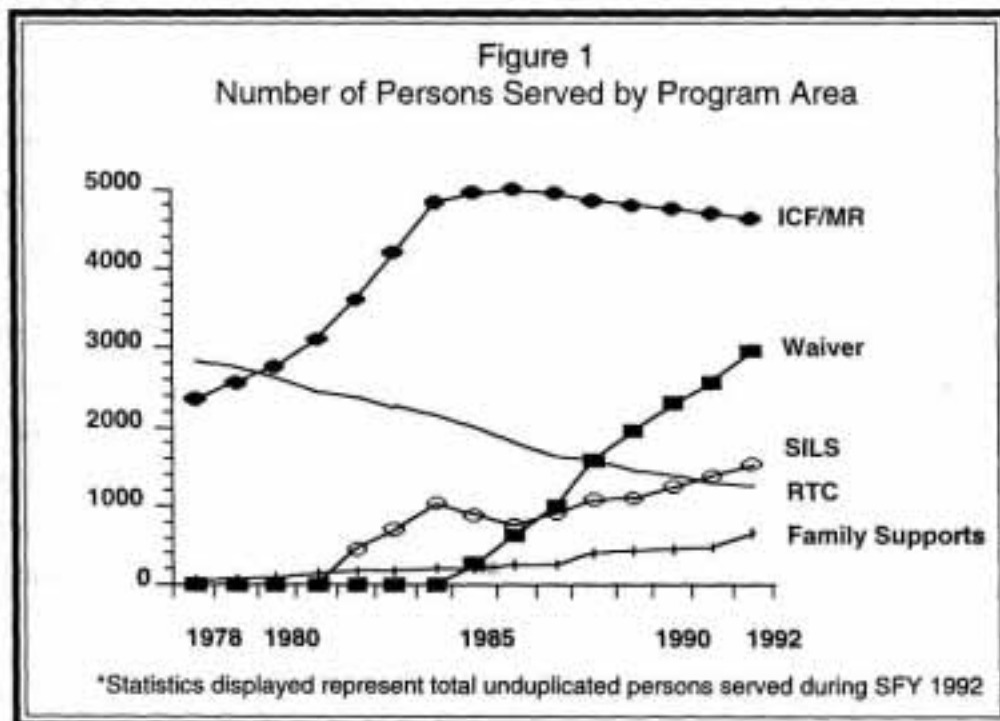
The Department will introduce legislation during the 1993 legislative session designed to reform training and habilitation services for persons with developmental disabilities. The proposal includes measures aimed at allowing variations in the way training and habilitation services are delivered, reducing regulatory requirements, increasing access to services, allowing community integrated services to be provided by an individual's residential provider in situations in which training and habilitation services are not available, and increasing client choice of programs and vendors through demonstrations.

#### IV. Trends in Services and Supports

In recent years, community integration of people with developmental disabilities has become a nation-wide focus. Services for Minnesotans with developmental disabilities have changed and improved in accordance with national trends. The most significant development in Minnesota's service delivery system in the past two decades has been its emphasis on developing community-based living options for children and adults with developmental disabilities. Providing people with developmental disabilities with the necessary instruction and support to work in community environments has also been a major focus. The effects of Minnesota's focus on deinstitutionalization and community integration is illustrated in Figure 1.

##### **Trends in Services and Supports to People with Developmental Disabilities**

- . An emphasis on deinstitutionalization and community integration
- . Increased support for families and children
- . Growth in the training and habilitation system



As Figure 1 illustrates, the number of persons served in regional treatment centers began a steady decrease in 1978, when the population was close to 3,000. In January 1993, the population of those large, congregate institutions had declined to 950. Community ICFs/MR experienced a growth in population beginning in 1978, which stabilized in the mid-1980's, and is declining slowly. Other community-based programs, most notably the Home and Community-Based Services Waiver, have grown considerably since the mid-1980's in accordance with Minnesota's emphasis on community integration and deinstitutionalization.

As the number of persons served in regional treatment centers has declined, the costs of serving the individuals who remain in these centers has increased. The average daily cost of serving an individual in a regional treatment center in state fiscal year 1982 was \$85.00. By fiscal year 1993, the cost had risen to \$296.00 per day, and is expected to increase to nearly \$300.00 per day in fiscal year 1994. The increased daily costs are largely due to the fact that capital costs for continuing to operate these facilities for a declining population have increased over the years.

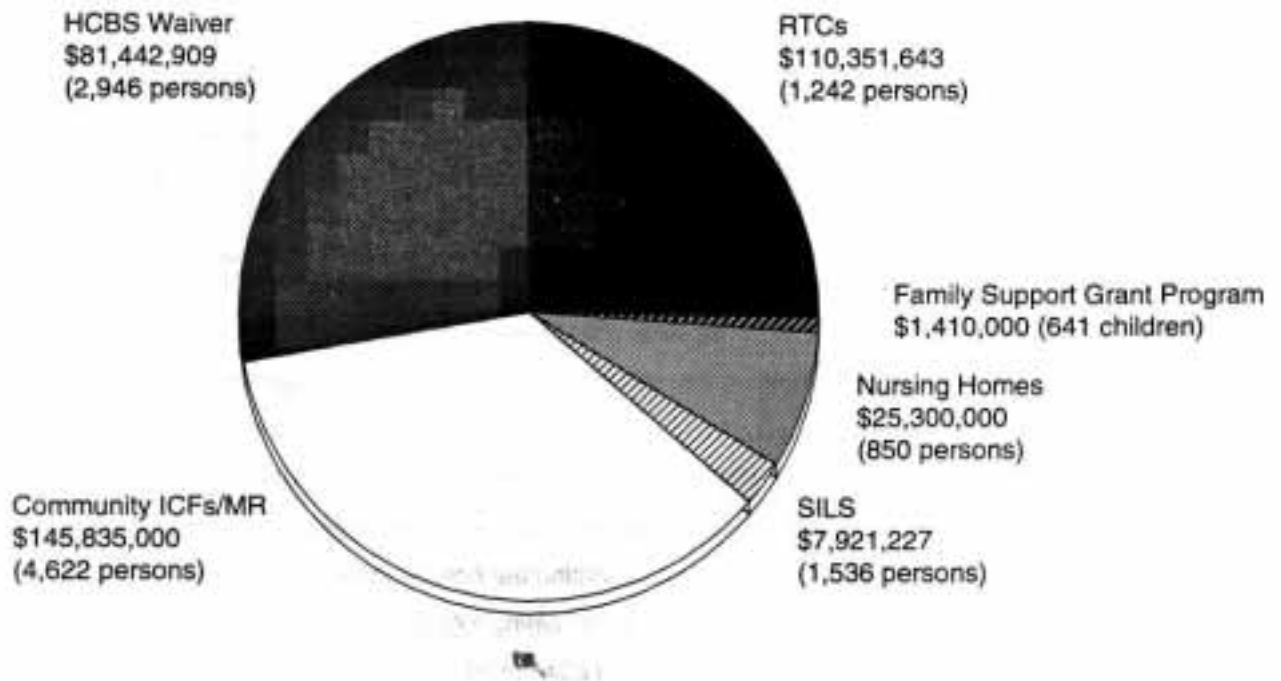
Many more resources are available now than in the past to support community living. Services for families and children have grown during the past decade, and are expected to become an even greater priority in future years. Both the number of families receiving Family Support Grants and the annual program expenditures have increased from 1978 to the current time. In addition, the Home Community-Based Services Waiver provides services to numerous individuals and their families. The availability of medical assistance through Minnesota's Children's Home Care Option (TEFRA) in fiscal year 1988 increased the type of support available for families and children.

Support by the Minnesota Legislature for community living for people with developmental disabilities has increased dramatically. Allocations for the Semi-Independent Living Services Grant Program, which provides adults with developmental disabilities with necessary support/instruction for living semi-independently, increased during the 1980's, allowing additional numbers of eligible persons to receive SILS. Expenditures for supported living services through the Title XIX Home and Community-Based Services Waiver have increased at a rate, which reflects the increase in the number of persons served and in accordance with payment limits approved by the federal Health Care Financing Administration.

The number of persons receiving training and habilitation services for adults with developmental disabilities has increased yearly since 1979, the first year that data was available. This growth is due in large part to successful efforts to move people out of regional treatment centers. Additional persons receiving home and community-based services, and the increased supports available for families and their adult children with developmental disabilities, are also contributing factors. According to a study conducted by the Department of Administration in 1990, expenditures for day training and habilitation services grew from \$39,434,113 in 1985 to \$52,814,901 in 1990, an increase of 33.9%.

State expenditures in fiscal year 1992 are illustrated in Figure 2. Expenditures for people living in community ICFs/MR, which totaled \$146,835,000, represent the largest proportion of expenditures for people with developmental disabilities. Although the population of regional treatment centers continues to decline, expenditures for individuals with developmental disabilities residing there during fiscal year 1992 were \$110,351,643. Minnesota spent \$81,442,909 serving individuals through the Home and Community-Based Services Waiver in fiscal year 1992. Costs for nursing home services for persons with developmental disabilities during that fiscal year were estimated to be \$25,300,000. Semi-independent living services (SILS) expenditures totaled \$7,921,227, while the Family Support Program expenditures were only \$1, 410, 000.

Figure 2  
Expenditures for Minnesotans with Developmental Disabilities by  
Program Area in SFY 1992



## V. Objectives and Priorities

The Department of Human Services is committed to assisting Minnesotans with developmental disabilities to access programs that provide them with appropriate, quality services which are commensurate with their needs and assisting them to attain the maximum degree of self-sufficiency consistent with their capabilities. Priorities for the 1994-1995 biennium include comprehensive reform efforts of the service system for persons with developmental disabilities intended to:

- 1) create incentives which allow services to be better directed to meeting the needs of individuals in the least restrictive manner;
- 2) create opportunities for increased consumer control and choice of services;
- 3) increase flexibility in funding, managing, and regulating services in order to achieve better client outcomes; and
- 4) focus on outcomes of services as related to the people served.

In keeping with these goals, the Department of Human Services has proposed changes which will have positive long-term effects on how services are provided. During the 1993 legislative session, the Department will introduce the **Integrated Management and Planning Act** (IMPACT). The Department intends to implement and evaluate several alternative models of service delivery during the 1994-1995 and 1996-1997 bienniums, and based on evaluation results, implement the most successful strategies on a statewide basis.

Groundwork toward lasting reform of the service system for persons with developmental disabilities was initiated early in state fiscal year 1993.

Steps that were taken include:

- a) obtaining input from stakeholder representatives regarding proposed changes;
- b) increasing availability and flexibility of services, including implementation of a crisis services demonstration project;
- c) increasing opportunities for consumer/family choice, including federal approval to amend the waiver plan to ensure free choice of vendor for waiver recipients, and implementation of the Family Choice Option, a project which enabled families whose biological or adopted children resided in their homes and were eligible for waived services to take a primary role in planning, developing, and implementing the services their child needed;
- d) reducing regulatory requirements; including rule changes concerning case management services, licensing requirements, and exempting ICFs/MR from state rules that are duplicative of federal requirements;

IMPACT will result in a service system characterized by:

- . Increased consumer choice
- . Increased program flexibility
- . Improvements in the quality of services
- . Simplification of rules and regulations
- . Positive outcomes for people with developmental disabilities

e) increasing county control over expenditures by requiring counties to manage the costs of home care for waiver recipients within the established average daily waiver reimbursement rate adjusted by the 1992 Legislature; and,

f) streamlining administration of program administration of SILS, the Family Support Program, need determination, and the Home and Community-Based Services Waiver.

IMPACT will result in additional regulatory reduction, modification of the waiver rate structure, and increased flexibility in training and habilitation services. The menu of consumer choice options for waived services and training and habilitation services will be increased. The development of crisis services for individuals exhibiting severe challenging behaviors that jeopardize their community placements that include prevention and education services, in-home consultation and technical assistance, and in-house respite intervention will continue to be a priority. Pilot areas for alternative models of service delivery will be selected and implemented in fiscal year 1994. Other steps to be taken in fiscal year 1994 include establishing interagency coordination and consolidation, further streamlining of waiver administration, adding flexibility in reimbursement for training and habilitation services, and accepting proposals for alternatives in SILS, training and habilitation, and ICFs/MR. In state fiscal year 1995, additional alternative models for service delivery will be implemented. Federal financial participation in reimbursement of support services for persons not currently eligible for those services will be sought. Plans for state fiscal year 1996 and beyond include continuation of pilots and evaluation of their success. Based on evaluations, the most successful pilot will be selected and implemented statewide.

Achievement of IMPACT'S goals will result in a service system that promotes consumer choice and is flexible and responsive to the needs of individuals with developmental disabilities and their families. Simplification of complex administrative rules and procedures is expected to improve the manner in which providers deliver services, and increase their capacity to serve more individuals with developmental disabilities. The Department believes that reform efforts brought about by IMPACT will result in the provision of quality services that meet or exceed customers' expectations in both an efficient and effective manner.

## Conclusion

Minnesota's commitment to people with developmental disabilities is demonstrated by the array of supports and services available to its citizens across their life span. Programs and services are available to assist families to raise their children with developmental disabilities in their parental homes, or allow children placed outside their homes to live in as family-like a setting as possible. Early intervention services for children with disabilities aged birth through seven are family-focused and are aimed at remediating the effects of handicapping conditions to the greatest extent possible. Transition planning services assist families and their adolescent children with developmental disabilities prepare for entry into

adult life and work. Training and habilitation services provide people with opportunities and instruction necessary for engaging in meaningful work, either on-site at a training and habilitation center, or in a community setting with job coach support.

Numerous programs and services are also available to assist individuals with developmental disabilities to live more independently in community settings. Housing options include living in one's family home or a house, apartment, or small group home and receiving waived services. People able to live semi-independently in a house or apartment may be eligible for SILS. Living with a foster family or receiving housing and habilitation services in an ICF/MR are other options.

Minnesota's efforts to assist its citizens with developmental disabilities to live productive, meaningful lives in the least restrictive environments possible is exemplary. However, numerous individuals with developmental disabilities are on waiting lists for services. Aging parents whose adult children with developmental disabilities still live at home worry about who will care for their children when they are no longer able to provide for them. Many people in ICFs/MR or who receive waived services in small group homes could live more independently with the support of SILS or other community support services, yet a relatively small proportion of these individuals ever move to more independent settings due to lengthy waiting lists for other types of support services. People with severe challenging behaviors or chronic medical conditions who live in regional treatment centers are often unable to move into the community due to shortage of service providers trained to address these individuals' needs. The difficulty providers have locating and funding behavioral consultants for on-going technical assistance, particularly in rural areas, is another barrier to community placement. In some areas of the state, a critical need exists for training and habilitation options that emphasize community-based supported employment, particularly for individuals with physical disabilities and/or challenging behaviors.

The 1994-1995 biennium will undoubtedly contain many challenges for people with developmental disabilities, their families, friends, advocates, service providers, and state and county agency staff. While additional funding in the coming biennium for community-based programs and services for individuals with developmental disabilities is critically needed, changes brought about by IMPACT will result in a more efficient method of delivering services. For example, new procedures for administering services will result in an expanded menu of available supports and services and increased consumer choice. Changes in procedures for allocation of funds will help ensure that monies are distributed in a manner that is equitable and responsive to local need, and will promote simplification in planning, accessing, and coordinating services. Procedural requirements for accessing services will be simplified, and requirements that duplicate one another will be unified or streamlined, as appropriate. Quality assurance methods that emphasize client outcomes at the individual, county, and state levels will be developed, and will continue to include safeguards to ensure the health and welfare of persons receiving services.

Several strategies for developing and testing methods to meet the goals of IMPACT have been proposed. Each is dependent on federal approval. They include:

- 1. Expansion of the availability of Home and Community-Based Services for persons with mental retardation and related conditions to the greatest extent allowable by federal law and regulation.** This would include transferring persons currently receiving SILS and eligible to receive HCBS to that waiver program. This shift would not only provide those persons access to the support services available under the waiver, but it would also free up a portion of the current state SILS appropriation so that more persons who can live semi-independently in the community can be served.
- 2. Implementation of demonstration projects focused on improving the efficiency and effectiveness of ICFs/MR, HCBS, SILS, and day training and habilitation services, including the use of voucher systems.** To facilitate the goals of the demonstrations, a single account containing monies from the medical assistance account, Minnesota Supplemental Aid, and other funds used for residential housing, SILS, and Family Support Grants will be established.
- 3. Implementation of performance-based contracts with counties and licensed providers** that specify the amount and conditions of reimbursement, requirements for monitoring and evaluation, and expected client-based outcomes.

Reforms brought by IMPACT will result in a service system that is efficient and responsive to the needs of individuals with developmental disabilities and their families. With the achievement of IMPACT'S goals, Minnesota will have a service system for persons with developmental disabilities that offers a broad choice of supports and services, provides funds equitably and responsively, is easily accessed by consumers and their families, is well-coordinated, and emphasizes the use of outcome-based quality improvement methods. As the year 2,000 approaches, improvements brought about by IMPACT will assist Minnesota to maintain its standing as a pacesetter in the provision of services to people with developmental disabilities.